
HOUSE BILL 1787

State of Washington

59th Legislature

2005 Regular Session

By Representatives Green, DeBolt, Morrell, Roach, Appleton, Strow, Moeller, Curtis, Williams, Hudgins, Hinkle, Simpson, Ormsby and Santos

Read first time 02/04/2005. Referred to Committee on Appropriations.

1 AN ACT Relating to a vendor rate study of home care agencies; and
2 creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) The department of social and health
5 services shall conduct a vendor rate study of home care agencies. The
6 study shall include an analysis of using a value-based reimbursement
7 system that provides higher reimbursement rates for providers that
8 demonstrate:

- 9 (a) Contractually obligated labor costs;
10 (b) Higher percentage of revenue devoted to labor costs;
11 (c) Higher supervisor-to-client ratios;
12 (d) Best practices financial audits;
13 (e) Accurate reporting of hours;
14 (f) Ethical consumer marketing practices;
15 (g) Adequate levels of liability insurance;
16 (h) Compliance with labor and employment laws;
17 (i) Process to enhance quality and safety; and
18 (j) Not using public funds to promote or deter, encourage or

1 discourage employees to exercise their rights under section 7 of the
2 federal labor relations act.

3 (2) The governor shall appoint a stakeholder committee made up of
4 five persons familiar with the operation of home care agencies to
5 assist the department in conducting the analysis. The five persons
6 shall be representatives from (a) a for-profit agency, (b) a not-for-
7 profit agency; (c) an organization representing consumers, (d) an
8 organization representing home care workers, and (e) the area agencies
9 on aging.

10 (3) The department shall report its findings, including a cost
11 analysis of implementing a value-based reimbursement, to the
12 legislature by December 15, 2005.

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